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DATE PREPARED: January 30, 2004  
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**LB 1103**

Revision: 00

# FISCAL NOTE

## LEGISLATIVE FISCAL ANALYST ESTIMATE

### ESTIMATE OF FISCAL IMPACT – STATE AGENCIES \*

	FY 2004-05		FY 2005-06	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	See below	See below	See below	See below
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See below	See below	See below	See below

\*Does not include impact on political subdivisions. See narrative for political subdivision estimates.

LB 1103 would establish the Nebraska Beef Industry Development Act. The Act would only become operative on the date that the Federal Beef Promotion and Research Act is declared unconstitutional by the U.S. Supreme Court, or would otherwise cease to exist. LB 1103 provides that the Governor would designate a private nonprofit corporation be formed to act as a council to promote the beef industry. A fee of 50 cents per head would be paid to the council for all cattle sold in Nebraska. Fees would be remitted to the council and deposited in the Nebraska Beef Industry Development Fund, which would be a state account. The Fund would be used to administer the Act.

Any fiscal impact to the state would occur only upon the formation of such a council. The Nebraska Brand Committee is designated in LB 1103 as the entity that will collect fees from noncommercial sales in the brand inspection area. The Brand Committee currently collects beef checkoff fees through a contractual agreement with the Nebraska Beef Council; the agency estimates that there will be a \$20,000 annual revenue loss because the Brand Committee would be required to perform this service under state law and could not request reimbursement for its services. It is estimated by the agency that approximately \$18,000 is spent annually to carry out checkoff collection services.

If the checkoff were to go into effect, it is estimated that a 50 cent checkoff could yield \$2,250,000 to \$2,500,000 per year.

#### DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	David J. Spatz	DATE	2/2/04	PHONE	471-4179
COMMENTS					
DEPARTMENT OF AGRICULTURE: Concur, no fiscal impact. NEBRASKA BRAND COMMITTEE: Concur.					